GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1604
ANSWERED ON:14.03.2005
ECONOMIC COST OF FOODGRAINS
Kalmadi Shri Suresh

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has made any assessment with regard to economic cost of wheat and rice with the Food Corporation of India (FCI) during the last three years and the current year;

(b) if so, the details thereof; and

(c) the heads of expenditure which are taken into account while working out the economic cost of grains?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a) & (b): Economic cost of wheat and rice of the Food Corporation of India (FCI) fixed for the last three years and the current year is given in the statement at Annex I.

(c): The heads of expenditure taken into account for calculating economic cost of grains are given in the statement at Annex 2.

ANNEX - 1

STATEMENT REFERRED TO IN REPLY TO PART (a) & (b) OF UNSTARRED QUESTION NO.1604 DUE FOR ANSWER ON 14.03.2005 IN THE LOK SABHA.

Economic cost of wheat and rice of the FCI for the last three years and the current year are as under: -

Year	Commodity	Economic Cost [Rs./Qtl]
2001-02	Wheat	852.94
	Rice	1097.96
2002-03	Wheat	884.00
	Rice	1165.03
2003-04 (RE)	Wheat	952.51
	Rice	1253.04
2004-05 (RE)	Wheat	1007.66
	Rice	1304.60

ANNEX - 2

STATEMENT REFERRED TO IN REPLY TO PART (c) OF UNSTARRED QUESTION NO. 1604 DUE FOR ANSWER ON 14.03.2005 IN THE LOK SABHA.

The heads of expenditure taken into account for calculating the FCI`s economic cost of grains are as under:-

Sl.No. Head

1. Pooled cost of grains

2. Procurement Incidentals:

A. Statutory Charges

i) Mandi Charges
ii) Purchase Tax
iii) Gunny Cost

B. Labour & Transportation Charges

i) Mandi Labour
ii) Forwarding Charges
iii) Internal Movement

C. Storage and Interest Charges

i) Storage
ii) Interest
iii) Arrears

D. Administrative Charges

E. Others (Guarantee Fees)

3. Distribution Cost

i) Freight
ii) Handling
iii) Storage
iv) Interest
v) Shortages
vi) Administrative Charges